From the United States Weather Bureau report. Full details on Page A-2.

88th YEAR. No. 35,230.

THIS IS ALL FOR NATIONAL

DEFENSE.

I. H. Ball, 34, Writer,

Friend of Gov. Stassen,

To Take Lundeen Seat

late Senator Ernest Lundeen.

friend of Gov. Stassen. He has been

the State would return Mr. Ball to

Mr. Ball was born in Crookston,

summers on a farm while in high

Springs, Ohio, by raising seed corn.

He later attended the University of

Journal, in 1928, free-lanced for a

year writing fiction, and in 1929

went to the St. Paul newspapers. In

1928 he married Elizabeth Robbins

daughters and a son.

can extend with safety.'

Minneapolis. They have two

Mr. Ball said that in the Senate

he would favor "all aid possible to

Britain - without crippling our own

defenses," and that he thought the

how much and what sort of aid we

Bishop Offers Plan to Boost

increase United States exports to

sell such articles on the same

of value, whether in the realm of

the three-year accumulation of of-

A prayer for the success of Great

Surrender in Chihuahua

CHIHUAHUA, Mexico, Oct. 14.

commander of the military zone.

They received guarantees of safe

U. S. Exports to Brazil

church last night:

totaled \$919.047.03.

office then

The Governor said he thought

reporting politics since 1934.

From Minnesota

Most people in Washington have The Star delivered to their homes every evening and Sunday morning.

(P) Means Associated Press.

Nazis and Reds **Bolster Forces** Along Danube

Reich Is Reported Planning Base Near Constanta

By the Associated Press.

BUCHAREST, Oct. 14.-Both Germany and Soviet Russia were reported speedily strengthening their military positions in the strategic area near the mouth of the Danube today.

Russia was said to be mobilizing picked troops along the lower Danube between its junction with the River Prut and the Black Sea, on the southern border of Bessarabia, and to be hurriedly building large gun emplacements along the line.

German plans to build a naval air base near Constanta, Rumania's main Black Sea port, were authoritatively reported.

Naval Mission to Arrive.

Preparations were made for the arrival of a German naval mission to join the Nazi army, air force and general staff officers already in Rumania. It was said the naval officers would supervise construction of the reported Constanta base.

tinued collaboration with the Rumanian general staff for defense of this kingdom's oil fields. German Is Blocked for Today anti-aircraft guns were reported already set up around the borders of ready set up around the borders of the fields and German fighter planes. By Holf's Objection air and land forces on hand.

supervising construction of antiaircraft emplacements between the Danube and railroad tracks at Giurgiu, big Rumanian river oil port. Thirty members of the British legation staff, including naval and military attaches, and 40 other members of the British colony in

The Germans also were reported

train en route to Istanbul. The British, on the verge of said hundreds of their nationals will have left on Black Sea ships by

Rumania, left Bucharest today by

Tension Aggravated.

mania, already made anxious by reports of large scale Soviet military preparations.

Well-informed sources in Bucharest said the Rumanian vessels were sunk recently in hotly contested, simultaneous actions, one at Chilia. a river port on one of the branches of the Danube at the Bessarabian border, and the other in the Star of Istanbul canal which leads out of Chilia to the Black Sea.

Rumanian authorities also charged that Russian vessels stationed at Chilia had violated Rumanian territorial waters in the last four days

(In Budapest, the mere fact the Rumanian censor approved the report of the vessels being sunk was interpreted as an indication of the heighthening ten-

Guns Reported Mounted.

Refugees from Cernauti, chief city of Northern Bucovina which Russia won by ultimatum last summer, reported increased Soviet military acjunction of the Prut and Danube rivers, had concentrated a large fleet and was moving great masses of troops toward the frontier.

They said the whole Cernauti region was being turned into a vast register 1,107,400. military encampment, that civilians had been ordered out and that work- centers of population: Chicago, 504,men were busy building an immense 100; Detroit, 276,100; Philadelphia, airport, which the refugees said was 266,200; Los Angeles, 220,700. for a concentration of 300 fighters

division," meanwhile, tackled the from 90 cities, according to estijob of putting this country in readi- mates, which place the probable ness to fight a 1940 style blitzkrieg. registration of these cities at 5,-A few hundred German officers 414,000. and soldiers were to be seen in Bucharest and at the nearby oil

Banat Germans Wait.

The German minority at Banat, in southern Transylvania, impatiently waited, however, for a chance to cheer thousands of Adolf Hitler's soldiers expected to pass through by rail and highway soon en route to strategic points in young King

(The entry of German troops into Rumania brought no evident reaction in Moscow and reports of the massing of Russian troops, guns and ships in Bucovina were not heard in the Russian capi-

The British legation announced that Alexander Miller, director of the expropriated Astra-Romana Oil (See RUMANIA, Page A-4.)

Cardenas Plans Savings For Mexican Railways

Mexico's National Railways has chief of registration in the District, been outlined by President Cardenas said today. who intends to enforce it before his

Union reported today. administered system have opposed three-fourths of them do not-when such extensive economies and at a the nature of the emergency and the special convention drafted an al- lateness of the hour are considered. ternative plan involving annual economies of about 8,000,000 pesos. list, but even so my office has been However, it was reported that so swamped with 'excuse-me-please

President Cardenas had rejected calls today that we have scarcely the railway's 13-million peso deficit casual attitude that many of the financial basis. Therefore, these able. After all, it is a patriotic duty insist upon his original program. form."

WASHINGTON, D. C., MONDAY, OCTOBER 14, 1940-FORTY-TWO PAGES. *** Hitler Has Closed Balkan Door to Russians



BALKANS FEAR WAR'S SPREAD-Reported Russian military activity along the Rumanian frontier (1) as Germans moved into Rumania had the Balkan nations jittery today. Turkey (2) appeared defiant of Germany and hopeful of Russian support in event of war. Turks foresaw three possible German advances (indicated by arrows): Toward Egypt (3), or toward the Dardanelles or the Black Sea. In the Mediterranean Italy claimed a naval victory at Malta (A), including the sinking of a British cruiser, and reported British raids had killed at least 34 persons in the Dodecanese Islands (B). -A. P. Wirephoto.

3½ Hours to Register

For Draft Wednesday

Any Additional Time

Draft-age Government employes

obligation as any other Government

ever, that should more than three

left up to other Federal agencies.

William H. McReynolds, admin-

istrative assistant to the President,

said registration is to be regarded

October 16 to be registration day.

of all kinds-Federal. State and lo-

cumbent on them under said act."

Dutch Workers to Help

Dutch circles in London said these

docks and harbor works at the

much-bombed chief German port.

Reconstruct Hamburg

By the Associated Press

"reconstruction."

to perform this function.

Must Be Charged

To Annual Leave

eported Constanta base. High-ranking Nazi officers con- Dykstra Confirmation U. S. Employes to Get

Unanimous Consent Not Needed Tomorrow; **Draft Machinery Oiled**

By CARTER BROOKE JONES. Immediate confirmation of Clarence A. Dykstra to be national di- to register Wednesday without using rector of selective service—the only annual leave on the ground that incompleted link in national head- registration is as much a Federal quarters draft machinery-was diplomatic break with Rumania, blocked in the Senate today by duty, Federal spokesmen said today. Senator Holt, Democrat, of West of principle.

The reported sinking of two Ru- an effort was made to permit im- country. It was stipulated, how- can no longer be underestimated. mediate confirmation by unanimous tors aggravated the tension in Ru- consent. But despite the pleas of and a half hours be required in vered and outsmarted. Now, in Ru- since 1927, has long been a close Paintsville. Majority Leader Barkley and Sen- any given case, the additional time ators Burke, Democrat, of Nebraska would be charged to annual leave. and Clark, Democrat, of Missouri, Mr Holt was his objection

> The chamber then agreed to meet tomorrow to consider the nomination. Unanimous consent will not

be required at that time. Holt Thinks Appointment Good.

Senator Holt said he had "no personal objection" to the appointment of Dr. Dykstra, who has been granted an indefinite leave of absence as president of the University of Wisconsin to accept, and to the contrary considered it to be "one of the good appointments of the President." He said, however, he did not "like the idea of the Senate's confirming a man without the people's having an opportunity to pro-

Meanwhile, a million volunteerselection officials, school teachers and essary to carry out this attitude, as others-were receiving final instructions today in every community in President in his proclamation of the country on what to do Wednestivity, asserting Russia, besides day, registration day, when an estimounting long-range guns at the mated 16,400,000 will register in compliance with the selective service in his proclamation Mr. Roosevelt

of fast naval craft along both rivers. Washington, where school teachers will act as registrars, will register co-operation in carrying into effect an estimated 95,000 New York City estimates it will

Some estimates from other huge

Third to Come From 90 Cities. A third of the men enrolling for The German Army's "instruction potential military service will come

Selective service headquarters has sent out 700,000 copies of the President's registration proclamation, and | controlled Dutch radio reported tothese have been scattered from the most congested urban spots to hamlets and remote post offices in regions where miles separate habitations. From Washington also went 730,000 booklets containing registration rules. Every registration

board will have at least one copy. The registration cards, printed locally, will number around 32,000, 000-sufficient to allow approximately two for each registrant, assuming some are spoiled and re-

Each registration place will contain huge enlargements of the reg-(See CONSCRIPTION, Page A-4.)

300 Draft Registrars Ask To Be Excused From Duty

All five telephone extension lines at the local draft registration headquarters at Franklin School are being swamped with calls from volun-MEXICO CITY, Oct. 14.-A 20- teer registrars asking to be excused million peso economy program for Wednesday, Dr. Chester W. Holmes,

"More than 350 persons have administration ends November 30. called to beg off in the last 24 hours, sources in the Railroad Workers' Dr. Holmes said. "Some of them have valid reasons for asking relief The 50,000 employes of the worker- from their assignments, but fully "Luckily, we have a good reserve

the plan as inadequate to liquidate had time for anything else. The and place the lines on a sound volunteers seem to have is deplor- Willkie offers plans to speed defense. sources said, he was determined to that they voluntarily agreed to per-Alien authors arrive safely in New York.

York. Page A-9 Cross-Word Puzzle.

Axis Is Free to Pursue Plans in Own Time. Stowe Declares

Chicago Daily News Foreign Correspondent.

This is a strategic achievement of historic dimensions. It is likely to be as important for the development of Nazi-Fascist imperialist plans in the Mediterranean and Near East as Germany's conquest of Norway was for her blitzkrieg drive in the western front. For the presence of a German legion in Rumania promises to free the hand of the axis dictators so that they can pursue plans of their own choosing and timing in regard to Yugoslavia, Bulgaria, Greece and, perhaps, eventually either the Dardanelles or Syria.

opposed them.

Gateway to the Balkans.

The narrow gap between Focsani will be given time off in which and Galatz is the geographic gateway to the Balkans, where Russian strategy is concerned. The Red Army has lost it because it was not strong enough to dare to invade Rumania proper at the end of Au-The Civil Service Commission de- gust while the Transvlvanian contro-Virginia, who objected as a "matter cided to give its workers up to versy was still at its boiling point. three and a half hours if necessary Now Hitler's diplomatic The President sent the nomina- to register and so notified civil through his precipitant "Vienna diction to the Senate this morning and service agencies throughout the tate" of a Transvlvanian settlement mania and in terms of military power, the Soviets are also being outweighed.

Time allowances similarly were Officials anticipate that most of the Government workers in Washington will be able to register in their residential draft board areas before or after working hours, but they will not be charged with time taken off from their regular duties for this strictly as a Government function insofar as Federal employes are concerned, and officials are reluctant to charge to annual leave any time

The speed and nature of the President Roosevelt, said he did not 'Vienna dictate" has caused great believe an executive order was necspeculation in Balkan capitals ever since it occurred. Why, it has been such was the expression of the asked, did the axis dictators give Hungary such a narrow, uneconomic September 16, in which he declared spearhead through Why did they give and exposed. Transvlvania? It was recalled that at one point Hungary a new shape as fantastic as that which Czecho-Slovakia once had, and which at the same time "In order that there may be full satisfied neither the Hungarians nor the Rumanians? the purposes of said act (the Selective Service Act of 1940) I urge all

Facts of Dictate Revealed.

When the Hungarian-Rumanian LONDON, Oct. 14.-A broadcast on the wave length of the Germanday that 4.000 Dutch workers had been sent to Hamburg to assist in workers were sent to help repair damage done by British bombers to

Budapest and Bucharest govern-

By LELAND STOWE,

BUDAPEST, Oct. 14.—Josef V. Stalin's Red Army is now frozen out of the Balkans and it also is virtually out of the war as an offensive factor. By reducing Rumania to a protectorate and by posting several Nazi divisions through the lower Carpathians down to the lower Danubian Marshes, Hitler appears to have secured the back door of the Balkans from any possible Rus-

Ever since its occupation of Bes-**Appointed to Senate** sarabia at the end of June, the Red Army has been a constant threat and a considerable paralyzing influence to German and Italian movements in the Balkans. Now Russian divisions are stuck along Rumania's Prut River just as they have been immobilized for a year along the Bug River in Poland. The Soviet troops are stuck in Bessarabia because they failed to seize the 40-mile strip between Focsani at the lower tip of the Carpathians and Galatz just above the Danube's By the Associated Press. delta while Germany could not have

This is true because of the serious weaknesses of the Red Army in offensive capacity. Mfty thousand veteran German troops and a few hundred Nazi airplanes inside Rumania will be quite enough to give pause to Russian forces several times as large on the eastern shores of cially fitted him for the job. the Prut River. Most military observers in the Balkans are agreed about that. They see little left for when Mr. Ball's appointment exthe Soviets to do but continue to pires, the Governor said he hoped build defensive positions as fervishly as possible just as they have been doing for months along their Polish frontier. All of which means that Minn., November 3, 1905, worked Hitler's Russian flank will soon be stabilized from the Baltic down to

the Black Sea. Stephen T. Early, secretary to

employers and Government agencies It can now be stated with absolute confidence that the Vienna Army and Navy the "best judges of cal-to give those under their charge dictate was, in turn, dictated by fear of further expansion into Rusufficient time off in which to fulfill the obligation of registration inmania and that it was directed by Hitler first and foremost against the Russians. Recently I have learned the following facts authoritatively for the first time.

negotiations were deadlocked at Turnu-Severin more than one month | B. ago, both parties appealed to Berlin to arbitrate. Hitler refused to arbitrate and sent word that the Transylvanian question should be deferred for settlement until the war's end. That was on a Monday. On Tuesday morning Red troops started moving across the Prut River. That same night Hitler hastily invited the

(See STOWE, Page A-7.)

Summary of Today's Star

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usements	Radio B-20	
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orials A-10	SportsA-14-16	
ance A-17	Woman's	Ì
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tuaryA-12		

Foreign Hitler held to have closed Balkan Letters to The Star. door to Russians.

Nazis and Soviet bolster Balkan positions British attack Dodecanese, Italians David Lawrence report. 'All will be well" in end, Princess Page A-3 Sports. Elizabeth broadcasts. Air attack carried as far as Gibraltar, Germans declare. Page A-4 Good behavior may bring Warsaw Storm flags up for D. C. curfew extension. Page A-6 Uruguay heads congratulate Roosevelt on speech. Page A-6

transports,

Eagle Squadron expects to fight be-Page B-2 fore Christmas. National. Government wins review of defense profits ceiling case. program.

3.000 troops killed.

Washington and Vicinity. Federal employes get time off for draft registration.

Editorial and Comment Answers to Questions. Page A-1 This and That. Constantine Brown. Page A-1 Frederic William Wile. Page A-1 Alsop and Kintner.

> Sectional grid leaderships at stake Page A-14 By the Associated Press. elevens in Page A-14 Two hundred twenty-seven followers to beat Cardinals. Indian Spring, Beaver Dam in State governor of Chihuahua, surrendered Page A-16 yesterday to Gen. Antonio Guerrero, golf semifinals.

City News in Brief. Nature's Children. Bedtime Story. Letter-Out. Page A-1 Uncle Ray's Corner. Page A-9 Cross-Word Puzzle.

Page A-1 commerce, art, religion or educa-Draft registration to take only few tion." tral avenue

Page A-10 Page A-10 Britain in its conduct of the war Page A-10 was offered at the Grace and Holy Page A-11 Trinity Cathedral. Page A-11 Page A-11 227 Mexican Insurgents

Miscellany Vital Statistics.

Page B-12 minor uprisings in Northern Mexico. Page B-20 a bullet each made up the band's Page B-21 total armaments.

1917-18 Veteran Is Caught by 1940 Draft

PORTSMOUTH, Ohio, Oct. 14. Adurm Oppenheimer wonders if he'll be the only World War veteran re-St. Paul Political Reporter, quired to register for selective service

"I'm going to try to be the first to register this time," said Mr. Oppenheimer, who enlisted in the Marines at the age of 13. He won't be 36, ST. PAUL. Minn., Oct. 14.—Joseph the registration age limit, until No-H. Ball, 34-year-old political re- vember 24.

porter for the St. Paul Dispatch and Mr. Oppenheimer, youngest Ohio Pioneer Press, morning and evening American Legion member, first ennewspapers, was appointed today by Gov. Harold Stassen to the United "18 but small for my age." A tele-States Senate in succession to the gram from his father, R. D. Oppenheimer of Paintsville, Ky., brought Mr. Ball, like the Governor, is a a cancellation. He next tried the Republican. Senator Lundeen was Army at Fort Knox, Ky., but was country how much progress has a Farmer-Laborite, and the Repub- sent home. En route, he stopped in been made. licans thus gain another seat in the Cincinnati and joined the Marines. Senate. Minnesota's other Senator. He became a top sergeant and Henrik Shipstead, is a Republican, served until October 20, 1919.

Senator Lundeen was killed in an air Mr. Oppenheimer now operates crash at Lovettsville. Va., August 31. a coal firm, is married and has four youthful Mr. Ball, a reporter children. His father still lives in

"But I'm sure he won't send any telegrams this time when I register. he chuckled.

Mr. Ball's "experience as a newspaperman, studying both sides of probperman, studying both sides of prob-lems, watching closely the actions Shortage of \$2,000 of all political parties, his faculty for hard work and careful study of Reported in Accounts governmental problems * * * and independence of judgment" espe-Definitely eliminating in 1942 Of Traffic Bureau a senatorial possibility in 1942.

Cashier Tells Towers Sum Has Been Missing Since April 11

school and earned money for his first year at Antioch College, Yellow approximately \$2,000 in the accounts of the cashier of the Bureau of He began newspaper work on the Vehicles and Traffic of the District Minneapolis Journal, now the Star-

The shortage was reported to cashier's books was begun immewas missing, but estimated that it our basic requirements." was slightly more than \$2,000.

her repeat her story to the Commis-William A. Van Duzer.

Order of Suspension Drawn. According to Mr. Towers, Miss Vass said that she and her only assistant, Merk Dunn, had known about the shortage for some months

KANSAS CITY, Oct. 14.-William It occurred on April 11. Commissioner Melvin C. Hazen Vichy Reported Ready W. M. Thomas, Episcopal Bishop of said he had requested Mr. Towers Southern Brazil, has a formula to to draw up an order of suspension for both employes and stated that

He gave this outline to the trien- he would sign it today. Miss Vass and Mr. Dunn both nial convention of the Episcopal stated that they had no idea how the money disappeared. "Send as good stuff as the English At the time of the disappearance, do, as cheap as the Japanese do, and

articles made as the Brazilians wish Miss Vass was swamped with work, diately to ratify a non-aggression Mr. Towers said. Sometimes the pact with Thailand (Siam). them made, as the Germans do; and money which was paid in to the Vehicles and Traffic Bureau-for ernment officially rejected "all other Brazilians, he said, "like American tags, drivers' licenses, etc.-piled up territorial claims" by Thailand in the bureau's safe for several days against French Indo-China with the men and women who take to them, as equal to equal, something new of value, whether in the realm of See SHORTAGE, Page A-3.)

| Defore the cashier could get an oppossible exception of northern Mekong River islands.

Willkie Offers Plans To Speed National **Defense Program**

On Designs and Bids By Contractors

By J. A. O'LEARY,

CIAL EN ROUTE TO SYRACUSE, Oct. 14.-Wendell L. Willkie today offered two suggestions for speeding up the defense program, after calling on the administration to tell the

agreement on the type of plane or tank which is to be manufactured

2. That as President he would be "absolutely relentless regarding those firms who are said to be jockeying around for bids and thereby delaying the progress of the defense program in order to make

a slightly larger profit."

He issued his defense statement as he began a drive in Republican un-State New York, where he must run strong to overcome New York City if he is to get the Empire State's 47 vital electoral votes.

"As President," Mr. Willkie said, "I will see to it that in this great national effort (defense), which em-An investigation was being made braces every element in our countoday of a reported shortage of try and which is actually conscripting our young men, that prospective contractors for the Government be

To Ratify Siam Pact

The broadcast said the Vichy gov-

Road walker killed by auto on CenTucker of Richmond, Va., reported Presiding Bishop Henry St. George Overtime Rule Is Modified ferings from three children's groups by New Wage-Hour Decision totaled \$919.047.03.

side salesman" will add several hun-The surrender ended the earliest exempted from the hours provisions The new classifications go into effect on October 24, the same day Page B-26 conduct. Ten antiquated guns with on which the standard work week becomes 40 hours, and will apply to

Page B-3 and most persistent of the recent of the Fair Labor Standards Act. with the importance supposedly accorded the duties in question. This salary, under the regulations, nearly all establishments engaged Page B-21 It was not known immediately in interstate commerce.

Would Eliminate Delays

Star Staff Correspondent. ABOARD THE WILLKIE SPE-

As he started out on an intensive two weeks' itinerary embracing 55 speeches in nine States, the Re-

publican nominee made these sug-1. That "the delay in reaching an

should be eliminated.

Begins Up-State Drive.

compelled to toe the line.

He began by saying the American people have been anxiously await- cording to the Government, Beth-"some announcement from Collector of Taxes C. M. Towers last Washington as to the number of week and an examination of the planes, guns, tanks and other equipment which have actually been prodiately. Mr. Towers said he did not duced, and some definite word on know yet exactly how much money how far along we are in meeting

"So far," he continued, "we have Miss Julia L. Vass, the cashier, had appropriations, authorizations, was the person who reported that contracts, inspection trips and pubthe money was missing. Mr. Towers licity. The most encouraging actual said. When she told him, he had fact we have had, however, is Mr. William Knudsen's statement that sioners and to Director of Traffic we will not have to complete equipment for an Army of 1,200,000 until

December, 1942." In his first speech of the day at Schenectady, Mr. Willkie again rebuked his opponents for engaging (See WILLKIE, Page A-3.)

BERLIN, Oct. 14.—The German radio broadcast a dispatch from Vichy today reporting that the French government is ready imme-

Thousands of White-Collar Workers No Longer Will Receive Time and Half

Through amendments to existing regulations is a separate definition egulations, Col. Philip B. Fleming, for "administrative" employe, predministrator of the wage and hour viously defined jointly with "execudivision, announced today a new tive." As defined, an executive reclassification of white-collar em-ployes who need not be paid over-sists in management, and who is time after 40 hours a week. The paid \$30 or more a week. Under Luck-and Baugh-enable Redskins of Lt. Col. Cruz Villalba, unsuc- amended regulations, which rede- the new regulations, administrative Page A-15 cessful Almazanista candidate for fine the terms "executive," "admin- employes are those whose duties, istrative," "professional" and "out- while important and linked with those of management, are functional dred thousand employes to the group rather than supervisory, and who are paid a "salary commensurate

> must not be less than \$200 a month. The definition for a worker employed in a "professional" capacity,

Supreme Court To Review Case Of Ship Profits

THREE CENTS.

Browder Conviction Also to Be Studied By Tribunal

By J. A. FOX.

Seeking to put a judicial ceiling over defense-production profits, the Government today won a Supreme Court review of litigation challenging the right of the Bethlehem Shipbuilding Corp. to collect \$5.270.-000 additional for World War shipbuilding contracts on which \$113.-000,000 already has been paid, and requiring the company to turn back

part of the money. Rebuffed in the lower courts on the case which has been pending 15 years, the Government asked for the Supreme Court review on the grounds that Bethlehem profits had been "inordinate and unconscionable" and that the issue had an important bearing on the vast defense program on which the United States

now is engaged. The court also agreed today to review the case of Earl R. Browder, Communist candidate for President, who was sentenced to four years in prison and fined \$2,000 for passport fraud. Justice Murphy, Attorney General when Browder was convicted, took no part in the case.

To Take Wage-Hour Case. The court agreed also to review a case involving the constitutionality of the Wage-Hour Act which was

instituted by the textile industry but refused to go into other litigation in which the Government sought again to narrow the scope of the wiretapping ban of the Federal Although holding against the Government in the Bethlehem liti-

gation case the lower courts had condemned the terms of the contracts as "daylight robbery" and 'commercial greed" and Attorney General Jackson said that the outcome in the Supreme Court undoubtedly would influence administration of the provision of the Conscription Act permitting the Government to take over industries when necessary to obtain defense material at a reasonable cost.

It is "of immediate national concern that there should be an authoritative determination of the extent to which the country's need should place it at the mercy of its conractors." the Supreme Court was told in the Government brief. Justices Stone, Roberts and Mur-

phy took no part in the case. Involves Two Suits. The Bethlehem litigation involves two suits growing out of the construction of 83 cargo vessels and tankers for the wartime merchant fleet, the Government alleging it was bound by necessity to meet the terms now declared exorbitant. The Government in 1925 sued Bethlehem Steel, the parent company, and certain subsidiaries for an accounting and recovery under the contracts, and the Bethlehem Shipbuilding Corp. countered with a claim for \$7.691,000 as an unpaid "bonus." A special master sitting in the case recommended dismissal of the Government bill, and ruled that a judgment for \$5,270,000 should be entered for Bethlehem. District Court for the Eastern District of Pennsylvania and the Third

Circuit Court of Appeals upheld this disposition. In negotiating for the ships, aclehem refused to contract with the fleet corporation on a "lump sum" basis, but demanded actual cost of construction, plus a fixed profit of about 10 per cent of the estimated cost, plus a "bonus for savings" equal to half of the amount by which the actual cost fell below

the estimated cost. The estimated cost was fixed at \$119,750,000, while the actual base cost turned out to be \$92,990,000, a difference approximating \$27,000,000 according to the Government. The company collected more than \$20 .-000,000 profits including better than \$8,000,000 under the "bonus for savings" arrangement.

Unprecedented Conditions. The Government said the builder was in a better position to figure on the estimated cost than its representative, the Emergency Fleet Corp.; the company declares that "unprecendented conditions surrounding labor and materials" made closer figuring impossible, and the special master also decided that the

estimate "represented reasonable estimates of probable cost. The Court of Appeals said that since the Fleet Corp. knew how (See SUPREME COURT, Page A-4.)

Omaha's Visit to Liberia, Near Dakar, Is Revealed

The Navy Department revealed today that the cruiser Omaha, squadron leader of the Atlantic patrol group in European waters, last Wednesday visited Monrovia, Liberia, a few hundred miles down the African coast from Dakar, scene of recent Anglo-French fighting.

The cruiser was ordered home recently when the squadron was abolished on formation of the new Atlantic Patrol force. Naval officials declared the Liberian visit was a courtesy call. The official Navy announcement did not say whether the Omaha stopped in the vicinity of Dakar. It was learned that information

of the movements of the Omaha was held up by the State Department until today. Naval officials did not explain why the announcement was withheld. The visit of the Omaha to Mon-

rovia also was attributed to a desire on the part of this Government to give reassurances to the independent Liberian government that the United States still is taking considerable interest in that part of the world. The Omaha left Monand therefore exempt from the rovia Thursday and arrived at